



BellSouth Telecommunications, Inc.
Suite 2101
333 Commerce Street
Nashville, Tennessee 37201-3300

615 214-6301
Fax 615 214-7406

Guy M. Hicks
General Counsel

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VIA HAND DELIVERY

David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37238

Re: *Interconnection Agreement Negotiations Between AT&T Communications of the South Central States, Inc. TCG MidSouth, Inc. and BellSouth Telecommunications, Inc. Pursuant to 47 U.S.C. § 252*
Docket No. 00-00079

Dear Mr. Waddell:

Enclosed please find fourteen copies of the Revised Arbitration Matrix. The Revised Matrix incorporates changes which were discussed during a recent meeting with you in your capacity as mediator. Counsel for AT&T has authorized me to submit this matrix on AT&T's behalf.

A copy of the enclosed has been provided to counsel of record for AT&T.

Very truly yours,



Guy M. Hicks

GMH:ch
Enclosure

ATTACHMENT 1
Issues for Arbitration between AT&T and BellSouth
TRA Docket No. 00-00079

	Issue	AT&T Position	BellSouth Position
1.	Should calls to Internet service providers be treated as local traffic for the purposes of reciprocal compensation?	ISP calls should be treated as local traffic for purposes of reciprocal compensation. AT&T still incurs the cost of the ISP traffic over its network. Additionally, such calls are treated as local under BellSouth's tariffs and the FCC has treated ISP traffic as intrastate for jurisdictional separation purposes.	No. The FCC has definitively determined that ISP traffic is interstate in nature. Therefore, such traffic should not be treated as local for purposes of reciprocal compensation. The parties should track the minutes of ISP traffic exchanged and true up the amount of compensation owed, if any, based on an effective rule promulgated by the FCC.
2.	What are the appropriate performance measurements and enforcement mechanisms that BellSouth should implement?	<p>For AT&T to ensure its customers receive service equal in quality to received by BellSouth customers, BellSouth must establish that it offers non-discriminatory support for total service resale, use of unbundled network elements (UNE's), and access to OSS. BellSouth should be required to provide an effective performance measurement methodology that contains:</p> <ul style="list-style-type: none"> - A comprehensive set of comparative measurements that provides for disaggregation of its data to permit meaningful comparisons and full disclosure. - Business rules and calculations which reveal true performance and customer experiences. - A sound methodology for establishing benchmarks and designating appropriate retail analogs. - Statistical procedures that balance the possibility of concluding BellSouth favoritism exists when it does not with concluding there is no BellSouth favoritism when there is. - AT&T access to all the raw data that BellSouth uses for its CLEC performance reporting. 	<p>The Service Quality Measurements proposed by BellSouth incorporate all of the measurements and reporting intervals adopted by other commissions within the BellSouth region, as well as additional measurements requested by telecommunications carriers such as AT&T. These measurements, as well as the business rules utilized to calculate the measurements, represent a comprehensive look at the service provided to telecommunications carriers. BellSouth provides access to the raw data utilized to calculate the measurements and has worked hand in hand with AT&T and other telecommunications carriers in the development of an appropriate statistical methodology. BellSouth does not believe that the issue of enforcement mechanisms is an appropriate issue for arbitration and resolution by the Authority. Without waiving its right to assert its legal position, BellSouth has voluntarily proposed enforcement mechanisms for inclusion in the AT&T/BellSouth Interconnection Agreement. The proposed enforcement mechanisms include the key, outcome oriented service quality measures required by state</p>

			<p>commissions in BellSouth's region and include either benchmarks or retail analogs as standards. The mechanisms are designed to prevent BellSouth from backsliding on delivery of service to AT&T once BellSouth has attained interLATA authority from the FCC. The remedies proposed are meaningful remedies designed to be, if applied, of significant impact to BellSouth.</p>
3.	<p>Should BellSouth be required to adopt validation and audit requirements which will enable AT&T to assure the accuracy and reliability of the performance data BellSouth provides to AT&T, and upon which the TRA will ultimately rely when drawing conclusions about whether BellSouth meets its obligations under the Act?</p>	<p>BellSouth should be required to have an independent audit conducted of its performance measurement systems, paid for by BellSouth. Additional annual audits should be conducted and paid for 50% by BellSouth and 50% among the CLECs participating in the audit. Additionally, AT&T may request additional audits when performance measures are changed or added, to be paid for by BellSouth.</p> <p>Additionally, audits of individual measures should be conducted. The cost of a "mini-audit" shall be paid by AT&T unless the audit determines that BellSouth is not in compliance with the terms of the Agreement.</p>	<p>BellSouth will agree to undergo a comprehensive audit of the aggregate level reports for both BellSouth and the CLECs for each of the next five (5) years (2000-2005), to be conducted by an independent third party. The results of that audit will be made available to all the parties subject to proper safeguards to protect proprietary information. This aggregate level audit includes the following specifications: (1) the cost shall be borne 50% by BellSouth and 50% by the CLECs; (2) the independent third party auditor shall be selected with input from BellSouth, the Authority and the CLECs; and (3) BellSouth, the Authority and the CLECs shall jointly determine the scope of the audit. More frequent audits are not reasonable in view of the tremendous number of CLEC interconnection agreements into which BellSouth has entered.</p>
4.	SUBSUMED INTO ISSUE 2	SUBSUMED INTO ISSUE 2	SUBSUMED INTO ISSUE 2
5.	<p>What does "currently combines" mean as that phrase is used in 57 C.F.R. §51.315(b)?</p>	<p>The Authority should allow AT&T to provide telecommunications services to any customer using any combination of elements, purchased at TELRIC rates, that BellSouth routinely combines in its own network. This is the definition of the words "currently</p>	<p>In the FCC's <i>Third Report and Order</i>, the FCC confirmed that BellSouth presently has no obligation to combine network elements for CLECs when those elements are not currently combined in BellSouth's network. The FCC rules, 51.315(c)-(f), that purported to</p>

		<p>combines” that is consistent with the Act, FCC rules and promotes rapid growth in competition in the local telephone market.</p>	<p>require incumbents to combine unbundled network elements were vacated by the Eighth Circuit Court of Appeals and were not appealed to or reinstated by the Supreme Court. The question of whether those rules should be reinstated is pending before the Eighth Circuit, and the FCC explicitly declined to revisit those rules at this time. <i>Third Report and Order</i>, ¶ 481.</p> <p>The FCC also confirmed that when unbundled network elements, as defined by the FCC, are currently combined in BellSouth’s network, BellSouth cannot separate those elements except upon request. 47 C.F.R. § 51.315(b). For example, when a loop and a port are currently combined by BellSouth to serve a particular customer, that combination of elements must be made available to CLECs. According to the FCC, requesting carriers are entitled to obtain such combinations “at unbundled network element prices.” <i>Id.</i> at ¶ 480.</p> <p>There is no legal basis for the Authority to adopt an expansive view of “currently combined” so as to obligate BellSouth to combine elements for CLECs. As the FCC made clear in its <i>Third Report and Order</i>, Rule 51.315(b) applies to elements that are “in fact” combined. <i>See id.</i> ¶ 480 (“To the extent an unbundled loop is in fact connected to unbundled dedicated transport, the statute and our rule 51.315(b) require the incumbent to provide such elements to requesting carriers in combined form”). The FCC declined to adopt the definition of “currently combined,” that would include all elements “ordinarily combined” in the incumbent’s network. <i>Id.</i> (declining to “interpret rule 51.315(b) as requiring incumbents to combine unbundled network elements that are ‘ordinarily combined’ ...”).</p>
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6.	Should BellSouth be permitted to charge AT&T a "glue charge" when BellSouth combines network elements?	BellSouth should not impose any additional charge on AT&T for any combination of network elements above the TELRIC cost of the combination.	See BellSouth's response to Issue 5, which is incorporated herein by reference as fully as if set out in its entirety.
7.	<p>What price (including deaveraged prices where appropriate) should BellSouth be permitted to charge for the following combinations of elements?</p> <ul style="list-style-type: none"> • 2 wire voice grade local channel with DS1 interoffice transport • 4 wire voice grade loop with DS1 interoffice transport • 4 wire 56 or 64 Kbps loop with DS1 interoffice transport • 4 wire DS1 digital loop with DS1 interoffice transport • 4 wire DS1 digital loop with with DS3 interoffice transport • DS3 digital loop with DS3 dedicated interoffice transport. • 4 wire DS1 local channel with DS1 interoffice transport • DS3 local channel with DS3 interoffice transport • 2 wire voice grade channel with DS1 interoffice transport • 4 wire local channel with DS1 interoffice transport • 4 wire DS1 local channel with DS3 interoffice transport <p>(UNEs, Attachment 2, Exhibit B)</p>	As with UNEs in discrete form, the FCC's TELRIC pricing rules require that BellSouth charge no more for combinations of UNEs than the TELRIC costs of the combinations.	See BellSouth's response to Issue 5, which is incorporated herein by reference as fully as if set out in its entirety.
8.	What are the appropriate rates and charges (including deaveraged prices and recurring and nonrecurring prices where appropriate) for	The FCC's TELRIC pricing rules require that BellSouth charge no more for any UNE that the TELRIC cost of the UNE.	For the elements that BellSouth is legally obligated to unbundle, the appropriate rate is a cost-based rate calculated pursuant to a final, Authority-approved methodology. Pursuant to FCC Rules, BellSouth is not required

	<p>the following UNEs for which rates have not been established:</p> <ul style="list-style-type: none"> • Conditioned loops; • DS3 loops; • DS3 dedicated interoffice transport; • DS3 dedicated local channels; • Dedicated local channels with interoffice transmission; • DS0/DS1 multiplexers; • DS1/DS3 multiplexers; • Operator call processing; • Directory assistance services. <p>(UNEs, Attachment 2, Exhibit A)</p>		to unbundle operator call processing and directory assistance services.
9.	<p>Under what rates, terms, and conditions may AT&T purchase network elements or combinations to replace services currently purchased from BellSouth tariffs? (UNEs, Attachment 2, Section 2.11)</p>	<p>Pursuant to FCC Orders, AT&T is permitted to purchase network elements and combinations to replace services currently purchased from BellSouth tariffs. The terms and conditions would be those applicable to the tariff. The rate would be the TELRIC cost to do a record change in BellSouth's OSS, plus the recurring price of the appropriate network elements or combinations. BellSouth should not be permitted to place obstacles in the way of AT&T's ability to convert such services to network elements and combinations as easily and seamlessly as possible.</p>	<p>Without waiver of its ability to avail itself of any available legal remedies, and in conformance to the guidelines set forth by the FCC in CC Docket No. 96-98 UNE Remand Orders dated Nov. 5, 1999 and Nov. 24, 1999, BellSouth will convert services currently purchased on a month to month basis by AT&T, or a BellSouth end user changing its service provider to AT&T, to the extent possible on a mechanized basis at a record change charge. As to services provided to AT&T or to a BellSouth end user changing its service provider to AT&T under a volume and term agreement or other contract basis, BellSouth will convert the services to the UNEs ordered by AT&T upon AT&T's payment of the appropriate early termination liabilities set forth in the volume and term agreement or contract.</p>
10.	<p>How should AT&T and BellSouth interconnect their networks in order to originate and complete calls to end-users? (Local Interconnection, Attachment 3)</p>	<p>AT&T and BellSouth should interconnect on an equitable basis, which is hierarchically equivalent, and not maintain the imbalanced situation where AT&T incurs the expense of connecting throughout BellSouth's network, while BellSouth incurs the much lower</p>	<p>BellSouth offers interconnection in compliance with the requirements of the FCC rules and regulations as well as any state statute or regulation. Interconnection can be accomplished through delivery of facilities to a collocation or fiber meet arrangement or</p>

		cost of connecting at the edge of AT&T's network. AT&T proposal also avoids use of limited collocation space that is better used for other purposes such as interconnection to UNE loops and advanced services. AT&T's proposal requires the two parties to work out a transition plan to "groom" the two networks.	through the lease of facilities. Interconnection must be accomplished through at least one interface within the BellSouth LATA and may be at an access tandem or local tandem. BellSouth, at its option, may designate an interface for the delivery of its originating traffic to AT&T.
11.	What terms and conditions, and what separate rates if any, should apply for AT&T to gain access to and use BellSouth facilities to serve multi-unit installations?	BellSouth should cooperate with AT&T, upon request, in establishing a single point of interconnection on a case-by-case basis at multiunit installations. Where such points of interconnection do not exist, BellSouth should construct them, and AT&T should be charged no more than its fair share, as one service provider using this facility, of the forward-looking price. The single point of interconnect should be fully assembled by AT&T technicians with the necessity of having a BellSouth technician present.	Without waiver of its ability to avail itself of any available legal remedies, BellSouth will perform in conformance with the guidelines of 47 CFR §51.319(a)(2)(E) as set forth by the FCC in CC Docket No. 96-98 UNE Remand Order.
12.	Should BellSouth provide local circuit switching at UNE rates to allow AT&T to serve the first three lines provided to a customer located in Density Zone 1 as determined by NECA Tariff No. 4 in effect on January 1, 1999 ("Density Zone 1")?	Yes. Customers should be allowed to freely choose their local service provider regardless of the number of lines that customer purchases. AT&T is entitled to purchase local circuit switching at UNE rates to provide service to customers in Density Zone 1 for the first, second, and third lines purchased by such customers even if that customer has four lines or more.	Without waiver of its ability to avail itself of any available legal remedies, BellSouth will perform in conformance with the guidelines of 47 CFR §51.319(c)(1)(B) as set forth by the FCC in CC Docket No. 96-98 UNE Remand Order. The FCC's rule is quite clear, if BellSouth satisfies the condition of providing nondiscriminatory access to the Enhanced Extended Link (EEL) throughout Density Zone 1 in a top 50 MSA, BellSouth is not required to unbundle local circuit switching when AT&T serves end users with 4 or more lines. Therefore, if the end user has 4 or more lines, is located in a top 50 MSA in Density Zone 1 and BellSouth provides access to an EEL, BellSouth does not have to provide circuit switching to AT&T.
13.	Should BellSouth preclude AT&T from purchasing local circuit switching from BellSouth at UNE rates when a Density Zone 1 existing AT&T	No. In a level competitive environment, customer services and rates should not be negatively impacted by BellSouth's election to increase AT&T costs of providing local service simply because the customer adds a	See BellSouth's response to Issue 12, which is incorporated herein by reference as fully as if set out in its entirety.

	customer with 1-3 lines increases its lines to 4 or more? (UNEs, Attachment 2, Section 6.3.1.3 and 6.3.1.4)	fourth line to its location.	
14.	Should BellSouth be allowed to aggregate lines provided to multiple locations of a single customer to restrict AT&T's ability to purchase local circuit switching at UNE rates to serve any of the lines of that customer? (UNEs, Attachment 2, Section 6.3.1.3 and 6.3.1.4)	No. The total number of lines served to all of the customers locations should not be aggregated. If a customer, for example, has several locations, each served by 3 lines or less, AT&T should be entitled to purchase local circuit switching from BellSouth to serve each of the locations.	Yes. All of the lines provided to an end-user customer, including those at every end user location (where an end user has multiple locations), can be aggregated to relieve BellSouth of its obligation to provide circuit switching at UNE rates. The rule is clear, if BellSouth has met the regulatory requirements and AT&T's customer has responsibility for 4 or more lines, all within the confines of Density Zone 1 in a top 50 MSA, BellSouth does not have a statutory obligation to provide AT&T with access to its circuit switching at 47 USC §252(d) rates.
15.	Should AT&T be permitted to charge tandem rate elements when its switch serves a geographic area comparable to that served by BellSouth's tandem switch. (Local Interconnection, Attachment 3, Section 1.3)	Yes. When AT&T's switches serve a geographic area comparable to that served by BellSouth's tandem switch, then AT&T should be permitted to charge tandem rate elements.	AT&T must demonstrate to the Authority that (1) its switch serves a comparable geographic area and (2) the switch performs functions similar to those performed by BellSouth's tandem switch. Simply being capable of serving a comparable geographic area or capable of performing tandem switching functions is not sufficient evidence.
16.	What are the appropriate means for BellSouth to provide unbundled local loops for provision of DSL service when such loops are provisioned on digital loop carrier facilities? (UNEs, Attachment 2, Section 3.11.2)	Yes. BellSouth should provide to AT&T a loop that is capable of providing any form of xDSL service that AT&T wishes to offer to a customer.	BellSouth's unbundled copper loop (UCL) offering cannot be held to the service levels and performance expectations which apply to BellSouth's ADSL- and HDSL-capable loop offerings. The UCL is an unbundled copper loop. Because the loop utilized to provide xDSL services must have certain characteristics to deliver service, BellSouth simply cannot warrant that the UCL will have all the requisite characteristics. Further, xDSL denotes any type of DSL service, be it ADSL, HDSL or some future generation of DSL service. BellSouth should not be expected to warrant that any DSL service will be supported by its UCL.

17.	When a loop is conditioned as requested by AT&T, what level of testing and maintenance is BellSouth required to provide? (UNEs, Attachment 2, Section 3.9.3)	SETTLED.	SETTLED.
18.	What coordinated cut-over process should be implemented to ensure accurate, reliable and timely cut-overs when a customer changes local service from BellSouth to AT&T? (UNEs, Attachment 2, Section 3.8 et seq.)	Yes. BellSouth should have a coordinated cut-over process that ensures accurate, reliable, and timely cut-overs. BellSouth's proposed process does not ensure that customers switching from BellSouth to AT&T receive the same treatment that BellSouth customers receive. Moreover, BellSouth does not follow its own process.	The coordinated cut over process proposed by BellSouth does ensure accurate, reliable and timely cut-overs. BellSouth's current SQMs measure BellSouth's performance in this area and sufficiently demonstrate that AT&T customers switching from BellSouth receive non-discriminatory treatment.
19.	Should AT&T local calls that use BellSouth's switching UNE be subject to "bill and keep" compensation arrangement, even though reciprocal compensation will be paid for terminating local calls not using BellSouth's UNE switch? (Local Interconnection, Attachment 3, Section 4.10; Billing & Recording, Attachment 6, Section 2.1.6; Exhibit E and Attachment 3, Section 4.10)	Due to the complexities and expense of recording and billing for reciprocal compensation on UNE-switched calls, AT&T believes that bill and keep should be used for local calls originated from and terminated to AT&T when it uses BellSouth's UNE switching. Other telecommunication carriers who originate or terminate calls to AT&T end-users served by UNE switching will be unable to determine that such calls went to AT&T as opposed to BellSouth. All call records will continue to look like they were made to BellSouth.	When AT&T terminates a call using BellSouth's local switching, BellSouth will provide the necessary recorded information to enable AT&T to bill the other carriers the charges those carriers have incurred. When AT&T leases circuit switching from BellSouth, AT&T is entitled to all revenues associated with that function, including the revenues associated with terminating calls for other carriers.
20.	What is the appropriate compensation for intraLATA and local traffic that terminates on each other's network? (Local Interconnection, Attachment 3, Section 6.7.1, 6.2.2, & 6.2.3)	SETTLED.	SETTLED.
21.	What is the appropriate treatment of outbound voice calls over internet protocol ("IP") telephony, as it pertains to reciprocal compensation? (Local Interconnection, Attachment 3, Section 6.1.9)	Until the FCC issues rules on how IP traffic is to be treated, no restrictions should be imposed. Further, there is no way to measure and record such traffic as requested by BellSouth. In any event, this is not a proper subject for negotiation in an interconnection agreement.	IP telephony is utilized in a manner consistent with traditional long-distance calling. Therefore, due to the increasing use of IP technology to transport voice long distance traffic, it is important to specify in the Agreement that Voice over the Internet Protocol traffic is switched access traffic and not local traffic.
22.	In calculating Percent Local Usage (PLU) for purposes of reciprocal	Yes. BellSouth should be required to continue its current practice of calculating the PLU on	BellSouth offered to accept PLU reporting on an otherwise than quarterly basis when AT&T

	compensation, should AT&T be allowed to report the traffic on a monthly, rather than quarterly, basis? (Local Interconnection, Attachment 3, Section 6.1.11)	a monthly basis. As AT&T enters the local market, and local usage increases, it remains necessary that BellSouth not change the current practice which has been adequate to this point. BellSouth proposes changing to a quarterly basis.	gains a large customer whose addition would have an impact on the PLU and on a monthly basis for a period of 12 months when AT&T opens a new calling area or begins marketing in a new area. Otherwise, PLU would be reported quarterly, which is consistent with industry practice.
23.	What is the appropriate definition of transit traffic?	SETTLED.	SETTLED.
24.	What are the appropriate intervals for the delivery of collocation space to AT&T? (Collocation, Attachment 4, Section 6.4)	FCC rules require that BellSouth provide collocation within intervals no greater than the best practice intervals of other ILECS. Accordingly, BellSouth should provide collocation within the following intervals: (1) virtual and cageless: 60 calendar days; (2) Physical (caged): 30 calendar days if AT&T does the construction; 90 calendar days if BellSouth does the construction. In the event of unforeseen circumstances, BellSouth should apply to the Authority for suspension of or relief from the intervals.	BellSouth has proposed an interval of no greater than 100 calendar days for the provision of physical collocation arrangements under ordinary conditions. Such a proposal is reasonable and necessary.
25.	When AT&T and BellSouth have adjoining facilities in a building outside BellSouth's central office, should AT&T be able to purchase cross connect facilities to connect to BellSouth or other CLEC networks without having to collocate in BellSouth's portion of the building? (Collocation, Attachment 4, Section 1.6)	Yes. When BellSouth and AT&T facilities are in close proximity, in order to achieve network efficiency, AT&T should be able to cross connect its network directly from its space to BellSouth's space without having to purchase collocation space from BellSouth.	No. AT&T's proposal has the effect of expanding the definition of premises beyond that which is required by the FCC regulations or that which is necessary. AT&T simply wishes to take advantage of its former corporate ownership of BellSouth. BellSouth's agreement to AT&T's terms would cause BellSouth to provide AT&T with more favorable treatment than other new entrants.
26.	Is conducting a statewide investigation of criminal history records for each AT&T employee or agent being considered to work on a BellSouth premises a security measure that BellSouth may impose on AT&T? (Collocation, Attachment 4, Section 11.1, 11.2, 11.4, 11.5)	No. These requirements are unreasonable and are inconsistent with the examples of measures found by the FCC to be reasonable, e.g. ID badges, security cameras, cabinet enclosures, and separate central building entrances. Such requirements are excessive, increasing collocation costs without providing additional protection to BellSouth. Moreover, such requirements could be discriminatory as	Yes. BellSouth performs criminal background checks on its employees prior to hiring and as such can require AT&T to do the same in order for AT&T to have unescorted access to the central offices and other premises that house the public switched network. Such security requirements are reasonable in light of the assets being protected as well as the number of new entrants and other telecommunications carriers

		applied to AT&T because of its collective bargaining agreements. AT&T is willing to indemnify BellSouth, on a reciprocal basis, for any bodily injury or property damage caused by AT&T's employees or agents.	relying on the integrity and reliability of BellSouth's network. AT&T's offer to indemnify BellSouth for bodily injury or property damage is not sufficient in light of the asset at risk.
27.	Unless otherwise specified, where Attachment 4 regarding collocation refers to days, should those days be calendar days or business days? (Collocation, Attachment 4)	Days should be calendar days. Business day intervals are inherently longer than calendar day interval thereby delaying delivery of collocation space within a reasonable timeframe.	Unless otherwise specified (for example, see BellSouth's response to Issue 24), days should be business days. Given the nature and complexity of the tasks to be completed, business days are reasonable.
28.	Should AT&T be permitted to order cageless collocation space from BellSouth in partial bay increments, rather than only in single bay increments? (Collocation, Attachment 4, Section 3.1)	SETTLED.	SETTLED.
29.	What are the appropriate recurring and non recurring charges for the following collocation items for which charges have not been established or are not TELRIC compliant: <ul style="list-style-type: none"> • Subsequent application fee for collocation • Cable support structure for collocation? (Collocation, Attachment 4, Section 5.7.1 and Exhibit A)	The FCC's TELRIC pricing rules require that BellSouth charge no more for any collocation than the TELRIC cost of collocation.	The appropriate rate is a cost-based rate calculated pursuant to a final FCC-compliant methodology.
30.	What are the appropriate charges that BellSouth may impose upon AT&T for the access card system BellSouth has installed to permit 24 x 7 access by AT&T to its collocation space? (Collocation, Attachment 4, Exhibit A)	As required by FCC regulations, BellSouth is required to charge no more than the cost-based TELRIC rates for collocation as established in Docket No. 7061-U.	The appropriate rate is a cost-based rate calculated pursuant to a final FCC-compliant methodology.
31.	Has BellSouth provided sufficient customized	No. BellSouth does not provide AT&T adequate customized	Yes. BellSouth has available both an AIN solution for

	routing in accordance with State and Federal law to allow it to avoid providing Operator Services/Directory Assistance ("OS/DA") as a UNE?	routing. BellSouth has not provided sufficient information on its untested AIN solution, including rates. If BellSouth's proposal is line class codes ("LCC's"), this solution may not be viable in every central office due to exhaust. Thus, until these methods are proven viable, AT&T may purchase OS/DA as an unbundled network element.	customized routing as well as the LCC solution that was advocated by AT&T during the last round of arbitrations. AT&T participated in testing BellSouth's AIN customized routing solution.
32.	What procedure should be established for AT&T to obtain loop-port combinations (UNE-P) using both Infrastructure and Customer Specific Provisioning? (Attachment 7, Sections 3.20 – 3.24)	Yes. BellSouth should process and provision AT&T's orders at parity with BellSouth's processing and provisioning of its own customers orders.	See BellSouth's response to Issue 31, which is incorporated herein by reference as fully as if set out in its entirety. However, should the Authority resolve Issue 31 in AT&T's favor, BellSouth will only provide electronic processing and provisioning of AT&T's OS/DA orders to a BellSouth branded platform. Orders for an unbranded or AT&T branded platform must be processed manually. Any proposed electronic ordering methodology should be handled through the EICCP, not through an arbitration proceeding.
33.	May the Interconnection Agreement contain conditions on the purchase of any BellSouth exchange?	The rates, terms, and conditions of this Agreement should govern the relationship between AT&T and the third party purchaser. BellSouth should not be permitted to remove the benefits of competition from a territory by selling it to another party that may assert a rural exemption or undermine AT&T's investment in competition by changing the rules. Further faced with the uncertainty of negotiating a completely new set of terms and conditions with another provider who purchases a BellSouth local exchange. Similarly, the Authority should not be required to review new sets of terms and conditions each time there is a sale of a local exchange.	The "successors and assigns" provision in the Preface of the Agreement should be adequate for AT&T. The contract language proposed by AT&T is unduly burdensome on BellSouth and any prospective purchaser of a BellSouth exchange. The obligations contained within 47 USC §§251 and 252 are binding upon a successor and assign of BellSouth and thus the language proposed by BellSouth is sufficient.
34.	Should the Commission or a third party commercial arbitrator resolve disputes under the Interconnection Agreement?	More issues will arise now that AT&T is entering the market and will need to be resolved quickly. These issues will be more business oriented and less policy oriented, and thus, more appropriately handled by commercial arbitrators. The parties should continue to have the right to resolve operational	BellSouth has had experience with commercial arbitration in the resolution of disputes under interconnection agreements negotiated pursuant to 47 USC §252 and has found such arbitration to be expensive and unduly lengthy in nature. The Eighth Circuit Court of Appeals in <i>Iowa Utilities Board</i> ruled that

		issues in a commercial forum on an expedited basis; thereby, limiting the customer-affecting impact of any such disputes.	the Authority is charged with the power to resolve disputes relating to interconnection agreements and BellSouth should not be forced to waive its right to seek resolution of such issues before the Authority.
35.	When AT&T submits a local service request to BellSouth for a resold service, should BellSouth be permitted to charge AT&T for sending the local service request electronically or manually? (Resale, Attachment 1, Exhibit A)	SETTLED.	SETTLED.
36.	What is the proper timeframe for either party to render bills for overdue charges? (Billing & Recording, Attachment 6, Section 1.2.3)	BellSouth should be required to continue its current practice of not rendering bills for charges more than one year old. BellSouth does not render bills to its own customers for charges more than one year old; therefore, BellSouth should not bill AT&T any differently.	BellSouth should not be required by contract to waive its statutory right to collect charges for services provided but for which payment has not been received. BellSouth has proposed that to the extent that the Parties negotiate a bill certification agreement for the payment of charges incurred under the interconnection agreement, BellSouth will agree to an interval less than the statute of limitations.
37.	Should BellSouth be permitted to limit AT&T's access to dark fiber with lightwave repeater (regenerator or optical amplifier) equipment interspliced to it? (UNEs, Attachment 2, Sections 8.4)	SETTLED.	SETTLED
38.	What are the proper parameters sufficient to prevent fraudulent billing for reciprocal compensation? (Local Interconnection, Attachment 3, Section 6.1.2)	Attachment 3, Section 6.1.2, which is the language currently in place, sufficiently and adequately defines interconnection; thereby, prohibiting the fraudulent billing for reciprocal compensation. In the event that a contract term is breached, the proper recourse is Dispute Resolution.	The current Agreement does not adequately address the issues brought to light by the conduct of some new entrants in the marketplace and because of 47 USC §252(i), BellSouth must protect itself from such conduct and the language proposed by BellSouth is reasonable.
39.	Should AT&T's use of directory assistance database information be restricted under this Agreement? (UNEs, Attachment 2, Section 9.4.8.2)	SETTLED.	SETTLED
40.	Should BellSouth be permitted to establish	SETTLED.	SETTLED

	caps on the access rates that AT&T may charge BellSouth, when BellSouth purchases exchange access service from AT&T as a result of terminating intraLATA calls to AT&T? (Local Interconnection, Attachment 3)			
41.	Should the Change Control Process be sufficiently comprehensive to ensure that there are processes to handle, at a minimum the following situations: (OSS, Attachment 7, Exhibit A)	Yes. Change Control should apply to the entire range of transactions required between AT&T and BellSouth in order for AT&T to utilize Services and Elements. Both electronic and manual interfaces and processes are required to establish and maintain a business relationship with BellSouth and conduct day-to-day business transactions. A comprehensive Change Control Process should provide "cradle to grave" coverage of the life cycle of an interface or process, and its supporting documentation (such as specifications, business rules, methods, and procedures). Thus, implementation of new interfaces, management of interfaces in production (including defect correction), and the retirement of interfaces should be addressed. Change Control should provide a normal process, an exception process, an escalation process, and a dispute resolution process with ultimate recourse to commission, mediation, or court adjudication. Additionally, a process by which the Change Control Process can be changed should be specified. The existing Electronic Interface Change Control Process (EICCP) is not comprehensive. AT&T's proposal and the existing EICCP's coverage are compared below.	The terms and conditions of the EICCP, as well as the subjects to which it should apply, should be negotiated between the EICCP committee members and cannot be properly arbitrated in a proceeding that involves only BellSouth and AT&T.	
		Situation	AT&T Proposal	EICCP
		a) changes to existing electronic interfaces?	SETTLED.	SETTLED.
		b) changes to manual processes?	SETTLED.	SETTLED.
		c) introduction of new electronic interfaces?	Yes.	This subpart is addressed in the EICCP today.
		d) retirement of	Yes.	This subpart is

		existing interfaces?		addressed in the EICCP today.
		e) exceptions to the process?	Yes.	This subpart is addressed in the EICCP today.
		f) software?	SETTLED.	SETTLED.
		g) hardware?	SETTLED.	SETTLED.
		h) industry standards?	SETTLED.	SETTLED.
		i) new or revised edits?	SETTLED.	SETTLED.
		j) documentation, including training?	Yes.	Documentation is addressed in the EICCP today; training is not an appropriate issue for the EICCP and is handled in other forums.
		k) defect correction?	Yes.	Defects are being implemented into the EICCP currently.
		l) monthly change review meetings?	SETTLED.	SETTLED.
		m) participation by the number of company subject-matter experts necessary to represent issues effectively?	SETTLED.	SETTLED.
		n) changes initiated by CLECs?	SETTLED.	SETTLED.
		o) changes initiated by BellSouth?	SETTLED.	SETTLED.
		p) changes necessitated by a change in industry standards?	Yes.	This subpart is addressed in the EICCP today.
		q) changes to address regulatory requirements?	SETTLED.	SETTLED.
		r) emergency changes (defect correction)?	Yes.	The Type I system outages are defined in the interim change control process, but are handled through the EC Support Help Desk.
		s) an eight step cycle, repeated monthly?	Yes.	For non-Type I issues, BellSouth has an 11-step process in EICCP today with variable inputs and outputs for each step.
		t) a firm schedule for notifications associated with changes initiated by	Yes	BellSouth will provide 30-day notification for CLEC-impacting

		BellSouth?		changes.
		u) a process for changing the change control process	SETTLED.	SETTLED.
		v) a process for the escalation of changes in process	Yes.	BellSouth is implementing escalation procedures for the EICCP.
		w) a process for dispute resolution, including referral to state utility commissions or courts?	Yes.	This subpart is not appropriate for EICCP which is designed to be a cooperative effort between BellSouth and the CLECs. The EICCP does provide that any party can seek appropriate relief if not satisfied with an outcome.
42.	What should be the resolution of the following OSS issues currently pending in the change control process but not yet provided? (OSS, Attachment 7, Exhibit A)			Issues such as those delineated in this issue should be resolved in the EICCP. These are industry issues more properly resolved in another forum and not in this two-party arbitration.
	a) parsed customer service records for pre-ordering?	BellSouth should provide. Parsed customer service records for preordering pursuant to industry standards. AT&T needs this in order to fully integrate its ordering systems with BellSouth's and obtain the functionality now available to BellSouth. BellSouth's internal systems parse the sections and fields of the CSR as needed to meet software program requirements precluding the need for service representatives to re-enter CSR information when processing orders. This item has been an industry standard since the publication of the LSOG3 guidelines.		This subpart is before the EICCP. An EICCP Change Request was submitted by AT&T requesting a parsed customer service record via TAG. Planning and analysis on this issue will begin mid-2000 on the parsing of the CSR. BellSouth currently provides the CLECs a stream of data via TAG. The stream of data is identified by section with each line uniquely identified and delimited. This is consistent with the data provided to BellSouth's retail units.
	b) electronic pre-order xDSL loop qualification, service inquiry and ordering?	SETTLED.		SETTLED.
	c) ability to submit orders electronically for all services and elements?	BellSouth should provide the ability to submit orders electronically for all services and elements. Lack of electronic ordering increases the possibility of errors and increases costs. BellSouth reported order flow-through for business services for two years before taking the		Requests for changes or revisions to BellSouth's electronic interfaces to its OSS should be submitted through the EICCP. This process allows BellSouth and the CLEC community to review, prioritize and manage changes and revisions to the electronic

		<p>position that these requests do not flow through. BellSouth formerly claimed only that complex business requests did not flow through, but even then, BellSouth admits that its service representatives type their requests into a front end system (DOE or SONGS), which sends the request to SOCS, which then accepts valid requests and issues the required service orders.</p> <p>Examples of instances in which AT&T requires electronic ordering capability are the UNE Platform, handling of remaining service on partial migrations, use of LSR fields to establish proper billing accounts, ability to order xDSL loops, ability to order digital loops, ability to order complex directory listings, ability to order loops and LNP on a single order, and ability to change main account number on a single order.</p>	<p>interfaces based on the needs of the CLEC participants. The CLEC participants control this process and the associated timelines. Although to BellSouth's knowledge no CLEC has submitted this request to the EICCP, the EICCP would be the appropriate forum to handle such a request.</p> <p>Non-discriminatory access to BellSouth's OSS does not mean that all services and elements must be ordered electronically with no manual handling. Some services, such as complex services, require manual handling by BellSouth's account teams for BellSouth retail customers. Processing of requests for CLECs may also require some manual processing for these same functions.</p>
	d) electronic processing after electronic ordering, without subsequent manual processing by BellSouth personnel?	<p>BellSouth should provide electronic processing after electronic ordering. See (c), above. Examples of instances in which AT&T submits electronic orders that are subsequently processed manually include LNP, UNE-P with LCC, migrations merging existing accounts, related orders. AT&T has submitted change control requests and participated in other discussions aimed at improving the subsequent manual process pending full automation. Examples include worklist mechanization and a Flow-through Mechanization Project.</p>	<p>Requests for changes or revisions to BellSouth's electronic interfaces to its OSS should be submitted through the EICCP. This process allows BellSouth and the CLEC community to review, prioritize and manage changes and revisions to the electronic interfaces based on the needs of the CLEC participants. The CLEC participants control this process and the associated timelines. Although to BellSouth's knowledge no CLEC has submitted this request to the EICCP, the EICCP would be the appropriate forum to handle such a request.</p> <p>Non-discriminatory access to BellSouth's OSS does not mean that all services and elements must be ordered electronically with no manual handling. Some services, such as complex services, require manual handling by BellSouth's account teams for BellSouth retail customers. Processing of requests for CLECs may also require some manual processing for these same functions. Local service requests for some types</p>

			of services are submitted electronically but "fall out" by design for processing. Even though the requests by design "fall out" for processing, electronic submission of the request improves the overall efficiency and effectiveness of order processing.
	e) migrate orders as specified?	SETTLED.	SETTLED.
43.	Should BellSouth provide AT&T with the ability to access, via EBI/ECTA, the full functionality available to BellSouth from TAFI and WFA? (OSS, Attachment 7)	Yes. TAFI is a non-integrateable interface so AT&T must make additional entries into its own maintenance and repair systems, while BellSouth need only make this entry once. EBI/ECTA is a machine-to- machine interface capable of integration but with limited functional capabilities. It is technically feasible to provide the full suite of TAFI functions via EBI/ECTA.	BellSouth provides AT&T with complete access to TAFI and has complied with the current standards for ECTA. Future enhancements to ECTA should be made through the EICCP.

CERTIFICATE OF SERVICE

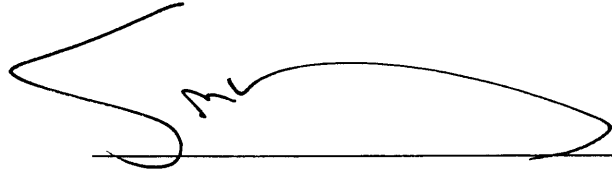
I hereby certify that on June 1, 2000, a copy of the foregoing document was served on the parties of record, via the method indicated:

- ☒ Hand
- ☐ Mail
- ☐ Facsimile
- ☐ Overnight

Richard Collier, Esquire
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0500

- ☐ Hand
- ☒ Mail
- ☐ Facsimile
- ☐ Overnight

James Lamoureux, Esquire
AT&T
1200 Peachtree St., NE
Atlanta, GA 30309



A handwritten signature in black ink, appearing to read 'J. Lamoureux', is written over a horizontal line.